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LB 821

Revision: 01

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

Revised to include amendments adopted through 2-28-12

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2012-13		FY 2013-14	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	292,000		193,000	
CASH FUNDS				
FEDERAL FUNDS	100,000			
OTHER FUNDS				
TOTAL FUNDS	392,000		193,000	

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

This bill creates the 24-member Nebraska Children's Commission. The commission would be comprised of representatives of the three branches of state government and members of the general public. The commission is charged with developing a statewide strategic plan for reform of the system of child welfare programs and services. The commission is to examine the operations of the Department of Health and Human Services (HHS) and make a recommendation on either a new children's agency or new children's division within HHS. This bill also establishes the Office of Inspector General of Nebraska Child Welfare Act. The position of Inspector General would be established within the Office of Public Counsel. The Inspector General would be charged with conducting investigations, audits, inspections and other reviews of the child welfare system. The Inspector General must be certified as a Certified Inspector General within two years of the date of appointment. The Inspector General shall employ investigators and support staff as is necessary within the amount available in the appropriations to the Office of Public Counsel. The office is required to investigate the following: 1) allegations of possible misconduct, misfeasance, malfeasance, or violation of statutes or rules and regulations and 2) the death or serious injury of a child in homes, agencies, facilities and program licensed by the Department of Health and Human Services or in any case where services are provided by the department. The process for filing of complaints to be investigated and the process to be followed by the Inspector General are outlined. The office is required to report to the Health and Human Services Committee and the Governor annually.

Members of the commission who are state employees will have their expenses paid from their respective agency budgets. The costs for travel expenses will be minimal and can be absorbed within the existing agencies' resources. The commission will have 16 members who are not state employees. The amount of travel costs will depend on the residences of those members and the number of meetings. The amount could range from \$10,000 to \$12,000 annually. Because of the timeframe for the work to be completed and since the bill carries the emergency clause, \$3,000 is provided for FY 12. In FY 13, the amount for commissioner expenses is \$9,000 and in FY 14 it is \$10,000. The Children's Commission is charged with creating a statewide strategic plan for child welfare program and service reform. A research analyst and part-time clerical staff would be needed. The personnel costs would be \$85,000. Operating costs would be \$5,000 annually.

The creation of a new division within the Department of Health and Human Services would not have a fiscal impact. If a new agency is recommended to be created, there could be some costs associated with a new agency, but until a specific proposal is developed, those costs cannot be determined.

The commission is required to contract with an independent entity specializing in Medicaid analysis to conduct a cross-system analysis of current funding and services. The entity shall identify areas where the state could use existing general funds to generate additional federal funds. The contract entity should also suggest ways to more effectively utilize current funding. The cost of the contract for this activity is estimated to cost \$200,000. The cost would be split evenly between general and federal funds.

The Inspector General position would be comparable to an Assistance Deputy Counsel in the Ombudsman's Office. Salary and benefits are estimated to \$88,000. Operating costs would be approximately \$5,000 annually. Existing support staff in the Office of Public Counsel can be utilized for this position. The bill authorizes the Inspector General to hire investigators. Depending on the workload, there is the potential for the need for additional investigative staff in the future.